

Message Text

CONFIDENTIAL

PAGE 01 MANILA 13910 101516Z

46

ACTION EA-09

INFO OCT-01 ISO-00 ONY-00 EAE-00 /010 W
----- 058827

P 100930Z SEP 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 102

C O N F I D E N T I A L MANILA 13910

STADIS//////////

EA ONLY

E.O. 11652: GDS

TAGS: EFIN, RP, US

SUBJECT: DRAFT TAX CONVENTION

REF: MANILA 13615

1. UNDER SECRETARY OF FINANCE AND TAX COMMISSIONER ALFREDO PIO DE RODA TELEPHONED E/C COUNSELOR AFTERNOON SEPTEMBER 10 TO INQUIRE AS TO STATUS OF TAX TREATY WHETHER U.S. WOULD BE READY TO SIGN DURING IMF/IBRD MEETING. E/C COUNSELOR THOUGHT THAT IN CIRCUMSTANCES HE HAD BEST COME CLEAN, AND HE TOLD PIO DE RODA THAT DIFFICULTY HAD ARISEN OVER ONE AND A HALF PERCENT PROVISION BECAUSE U.S. AIRLINES WERE RAISING OBJECTIONS. HE ADDED THAT EMBASSY HAD RECOMMENDED AGAINST REOPENING ISSUE BUT HAD AS YET RECEIVED NO RESPONSE FROM DEPARTMENT. HE COULD NOT EXCLUDE POSSIBILITY THAT HE WOULD HAVE TO REOPEN MATTER WITH PIO DE RODA, BUT THAT THIS WOULD DEPEND ON WHAT INSTRUCTIONS EMBASSY RECEIVED. PIO DE RODA RESPONDED THAT "JAPANESE" HAD TOLD HIM THAT THERE WAS A PROBLEM WITH THE TAX TREATY AND HE WAS INTERESTED TO LEARN THAT THEY WERE RIGHT. PIO DE RODA SAID GOP WOULD BE SIGNING ONE TAX TREATY WITH BELGIUM DURING IMF MEETING AND THAT HE PERSONALLY STILL HOPED IT MIGHT BE POSSIBLE TO SIGN WITH U.S. HE WAS NON-COMMITTAL ON SUBSTANCE OF PROBLEM AND E/C COUNSELOR DID NOT SEEK TO EXPLORE IT WITH HIM.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MANILA 13910 101516Z

2. WE HAVE NOW SEEN ITEM 5 OF WEEKLY STATUS REPORT FOR AUGUST 26. THIS PLACES MATTER IN EXCELLENT PERSPECTIVE, AND HAD WE HAD BENEFIT OF THIS BACKGROUND WHEN WE RECEIVED STATE 219119, WE WOULD HAVE BEEN MORE RECEPTIVE TO APPROACH TO GOP. IN ANY EVENT, NOW THAT CAT IS OUT OF THE BAG, AND IF DEPARTMENT AND TREASURY ARE CONVINCED THAT PANAMERICAN OPPOSITION COULD STYMIE TAX CONVENTION IN SENATE, WE WOULD BE WILLING TO EXPLORE POSSIBILITY OF DELETION OF MENTION OF AIRLINES FROM THE DRAFT. BEFORE DOING SO, WE WOULD WANT TO KNOW WHERE NORTHWEST AND FLYING TIGER STAND ON THE ISSUE.

3. PLEASE NOTE EA ONLY CAPTION.
SULLIVAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TREATY SIGNATURE, TAX AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 SEP 1976
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA13910
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760342-0683
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760973/aaaackml.tel
Line Count: 75
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY
Reference: 76 MANILA 13615
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 03 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 JUN 2004 by CunninFX>; APPROVED <29 SEP 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DRAFT TAX CONVENTION
TAGS: EFIN, RP, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006